BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DECEMBER 8, 1994

IN RE: Duke Power Company - Integrated) ORDER GRANTING Resource Plan (IRP).) MODIFICATION

This matter comes before the Public Service Commission of South Carolina (the Commission) on the September 26, 1994 proposal of Duke Power Company (Duke) to revise its residential HVAC tune-up program. The program, which assists the owners of existing residential structures in improving the efficiency of their central air conditioning or heat pump air distribution systems, was approved by the Commission on July 15, 1993.

According to Duke, a number of dealers have notified it of the need to increase the evaluation fee for homes with multiple systems in order to cover the costs associated with the evaluation of multi-system homes. As currently filed, participating dealers evaluate the customers' central air conditioning or heat pump air distribution system for \$100, of which the customer pays \$50 and the company pays \$50. Duke plans to continue allowing dealers to charge \$100 for one-system homes and to authorize dealers to charge an additional \$30 per additional system for homes with more than one system. Duke will continue to pay \$50 for the evaluation. For example, in a home with two heat pump systems, Duke will pay \$50 of the evaluation and the customer will pay the balance, \$80. According to Duke, this change is necessary to maintain dealer

participation in the program. The change, according to Duke, will also insure that dealers are willing to perform HVAC tune-ups for larger homes which have potentially larger energy savings for the customer and for Duke. Duke asserts that it will review the evaluation charge periodically and will set the charge based on existing market conditions.

Duke has requested that the Commission review the proposed change and make the necessary findings in accordance with its January 25, 1993 Order on Duke's 1992 IRP to allow Duke to implement the change. The required sixty (60) day interim period has expired for comments on the proposed modification. No comments or protests have been received. Upon examination, the Commission believes that the modification proposed by Duke is consistent with the Commission's 1992 Order on Duke's IRP.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Hudalyh Mitchell

ATTEST:

Executive Director

(SEAL)